

CLEARBRIDGE HEALTH LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201001436C)

**COMMENCEMENT OF LEGAL PROCEEDINGS AGAINST FORMER DIRECTORS
OF AN INDIRECT SUBSIDIARY IN INDONESIA**

The board of directors of Clearbridge Health Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company's indirect subsidiary, PT Tirta Medika Jaya ("**TMJ**") had, on 10 June 2020, commenced legal proceedings by way of a Writ of Summons, an action (the "**Suit**") in the District Court of South Jakarta (the "**Court**") against three of its former directors Sam Pranoto, Andreas Kuntjoro Mukri and David Sahputra Hadiwibowo (collectively, the "**Defendants**").

The Suit was filed against the Defendants in respect of an alleged breach of director's duties in respect of TMJ's underpayment of value added tax ("**VAT**") and associated penalties, due to the erroneous application and recording of VAT, during the period when the Defendants were members of the Board of Directors and Board of Commissioners of TMJ (the "**Negligence**").

The erroneous VAT practice dates back to when TMJ started its business as an operator of joint operations with hospitals to operate haemodialysis centres. The Group completed its acquisition of shares in TMJ on 23 April 2018 (the "**TMJ Shares Acquisition**"). Prior to 23 April 2018, the Defendants, in addition to being members of the Board of Directors and/or Board of Commissioners of TMJ, were also handling the day-to-day operations of TMJ. After completion of the TMJ Shares Acquisition, the Group had taken active steps to procure the Defendants to clarify the proper VAT treatment with the Indonesian tax regulators. Consequently, TMJ has settled the correct amount of VAT with the Indonesian tax regulators in 2019.

As a result of the Negligence, TMJ suffered pecuniary losses amounting to approximately IDR15.19 billion (approximately S\$1.52 million) comprising, among others, taxes as well as associated penalties, fees and other losses (the "**Pecuniary Losses**").

Pursuant to the Writ of Summons, TMJ is requesting the Court to, among other things:

- (a) accept and grant the Suit that has been filed by TMJ;
- (b) declare that the Defendants have committed unlawful acts;
- (c) order the Defendants to jointly pay damages to TMJ amounting to approximately IDR2.02 trillion (approximately S\$200.72 million) comprising the Pecuniary Losses and non-pecuniary losses suffered by TMJ amounting to approximately IDR2.00 trillion (approximately S\$199.20 million);
- (d) declare the seizure of certain movable assets and/or immovable assets of the Defendants as security for costs;
- (e) declare that the verdict of this case be carried out;
- (f) order the Defendants to pay the court fees according to applicable law; and

(g) order the Defendants to make a public apology to TMJ in Singapore and Indonesia, or if the Court who examines and adjudicates the Suit has a different opinion, to ask for a fair and just decision.

The Company and its legal advisors are closely monitoring the progress of the legal proceedings against the Defendants and will update its shareholders if there are any material developments on this matter. In the meantime, the operations at TMJ are unaffected by the Suit. The Suit may have an impact on the financial performance of the Group for the current financial year ending 31 December 2020 ("**FY2020**"), depending on the timing and the outcome of the hearing. However, the Group is currently unable to quantify the impact of the Suit on the financial performance of the Group for FY2020.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

YEE PINH JEREMY
Executive Director and Chief Executive Officer

10 June 2020

The S\$ equivalent of the IDR figures in this announcement have been arrived at based on an exchange rate of IDR10,040:S\$1 as at 10 June 2020.

*This announcement has been prepared by Company and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr. Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*